



Flash Drive Facts is a supplier initiative designed to help bring greater understanding about flash drives, their uses, news and up to the minute insights.....

» More to come....

## Why Flash Drive Prices Change

### Easy to understand FLASH DRIVE price explanation

We in the promotional products business are often asked by our customers why the price of flash drives change so often.

In an effort to make the reasons easily understood here is a brief explanation.

- 1) Flash Memory is only made by a few manufacturers such as Samsung and Hynix. They control the prices. Think of them just like OPEC!
- 2) Flash Memory chips are in EVERYTHING. Your fridge, TV, car, stereo, I-Pod....The DEMAND is HUGE...the SUPPLY...limited
- 3) 80% of a flash drives cost is determined by the cost of the memory chip. A flash memory chip in a Plasma TV's cost is less than 1/10 of 1 %! So when flash chip memory prices go up, so does a FLASH DRIVES cost. It DOES NOT affect the price of a big ticket item like a Plasma TV.
- 4) Big buyers like APPLE will often buy 10 million chips all at once. These big buys cause increased demand and lack of supply. Price goes up.

Still.....even if a flash drives prices goes up by a few cents consider this....

**16 months ago a 4GB Drive was \$100...  
it is now about \$20!**